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DEPARTMENT OF JUSTICE

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January 6, 1995

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Overnight Mail (Monday Delivery)

FCC MAIL ROOM

Mr. William F. Caton  
Acting Secretary  
Federal Communications Commission  
1919 M Street, N.W., Room 220  
Washington, D.C. 20554

Re: CC Docket No. 94-129, Policies and Rules  
Concerning Unauthorized Changes of Consumers'  
Long Distance Carriers

Dear Mr. Caton:

Enclosed please find the original and ten copies of the  
Comments of the National Association of Attorneys General  
Telecommunications Subcommittee and a separate Appendix in Support  
of the Comments to be filed in the above matter.

Thank you for your consideration.

Sincerely yours,

David J. Gilles  
Assistant Attorney General

DJG:dh

Enclosures

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JAN - 9 1995

FCC MAIL ROOM

Before the  
FEDERAL COMMUNICATIONS COMMISSION

FCC 94-292

In the Matter of	)	
	)	
Policies and Rules Concerning	)	CC Docket No. 94-129
Unauthorized Changes of	)	
Consumers' Long Distance	)	
Carriers	)	

COMMENTS OF THE NATIONAL ASSOCIATION OF ATTORNEYS GENERAL  
TELECOMMUNICATIONS SUBCOMMITTEE AND THE  
ATTORNEYS GENERAL OF THE STATES OF  
ARIZONA, ARKANSAS, CALIFORNIA, CONNECTICUT, FLORIDA,  
ILLINOIS, INDIANA, IOWA, KANSAS, MARYLAND, MASSACHUSETTS,  
MINNESOTA, NEVADA, OHIO, PENNSYLVANIA, RHODE ISLAND,  
TENNESSEE, VERMONT, WEST VIRGINIA AND WISCONSIN

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Before the  
FEDERAL COMMUNICATIONS COMMISSION

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Carriers	)	

COMMENTS OF THE NATIONAL ASSOCIATION OF ATTORNEYS GENERAL  
TELECOMMUNICATIONS SUBCOMMITTEE

The Telecommunications Subcommittee of the Consumer Protection Committee of the National Association of Attorneys General and the Attorneys General of the states of Arizona, Arkansas, California, Connecticut, Florida, Illinois, Indiana, Iowa, Kansas, Maryland, Massachusetts, Minnesota, Nevada, Ohio, Pennsylvania, Rhode Island, Tennessee, Vermont, West Virginia and Wisconsin submit these comments in response to the Federal Communication Commission's Notice of Proposed Rule Making Regarding Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers.

We welcome the Commission's proposal to promulgate rules to prevent unauthorized changes of consumers' long distance service. Complaints filed with State Attorneys General reveal that contest offers, sweepstakes promotions and other incentives--frequently unrelated to long distance service--result in the unintended or unauthorized switching of long distance carriers for consumers. Some consumer complaints evidence that deception and fraud are used as a marketing tactic to obtain consumer signatures on "Letters Of Agency" (LOAs).

We believe that the Commission's proposal to separate LOAs from all marketing incentives, together with the implementation of additional safeguards recommended below, will establish a sound basis for long distance carriers to fairly compete, while minimizing the potential for consumer confusion or fraud.

**UNFAIR AND DECEPTIVE INDUCEMENTS TO  
ENTICE CUSTOMERS TO SWITCH LONG DISTANCE  
CARRIERS ARE A SERIOUS PROBLEM**

Consumer complaints regarding unauthorized or unintended switching of long distance carriers--a practice often referred to as "slamming"--represent a significant portion of complaints received about telecommunication services by State Attorneys General. The use of potentially misleading or confusing solicitations which combine LOAs with contest offers, sweepstakes promotions, charity appeals, check incentive payments or other inducements presents a serious problem. Too frequently these marketing strategies result in the unintended or unauthorized change of a long distance carrier which may go undetected by a subscriber for months. For those consumers who discover that their carrier has been changed, considerable effort must be undertaken to reverse the change and minimize any resultant loss (Ap. 1, 9). <sup>1</sup>

State Attorneys General have taken action against deceptive marketing practices used by unscrupulous promoters to surreptitiously obtain LOAs. Instead of competing on price or

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<sup>1</sup>A selection of complaints which illustrate a variety of problems consumers have experienced resulting from the marketing tactics at issue in this proceeding are included in a separate appendix submitted with these comments and will be referenced herein as (Ap. 1).

quality of service, these marketing ploys take advantage of consumers' wishes to be "lucky winners" or on their good faith responses to a charitable appeal (Ap. 13, 17, 21, 23, 27). For example, one promoter styled an LOA as a contest entry form. The display promoting the contest also represented that a contribution would be made to a charity (Ap. 13). Participants thought that they were furthering charitable efforts and would be eligible to win a Hawaiian vacation, but did not realize that entry forms included fine print authorizations to switch long distance carriers. Fortunately for some consumers victimized by these practices, several State Attorneys General actions have obtained refunds as well as injunctions and penalty payments.<sup>2</sup>

**THE COMMISSION'S PROPOSAL TO SEPARATE LOAs FROM MARKETING INCENTIVES WOULD ELIMINATE POTENTIAL CONSUMER CONFUSION.**

We support the Commission's proposed rule that would require LOAs to be separated from any incentive offered to a customer. There would seem to be little basis to support incorporating contest offers, sweepstakes promotions, rebate checks or other inducements into the document which constitutes an LOA. The potential for confusion - as evidenced by consumer complaints - outweighs any minimal cost or burden a seller might incur in separating incentive offers from LOAs. The likelihood of inadvertent authorization would be further reduced if the

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<sup>2</sup> Copies of judgments and assurances entered against companies which engaged in "slamming" are included in the appendix (Ap. 53-143).

Commission specifically prescribes the form and content of LOAs and adopts other safeguards as recommended below.

**THE COMMISSION'S PROPOSAL TO PROHIBIT  
NEGATIVE OPTION MARKETING PRACTICES  
WILL ELIMINATE UNFAIR PRACTICES.**

We support the Commission's proposed rule to prohibit negative option marketing practices in connection with soliciting customers to switch long distance carriers.<sup>3</sup> A long distance company should not be changed without a subscriber's affirmative request.

A particularly deceptive form of LOA used by some promoters has involved a negative option check-off on the back of a contest entry form (Ap. 27, 31, 35). Unless a participant checked that he or she did not choose to change long distance carriers, the fine print on the entry form purported to authorize a switch of long distance carriers. There would appear to be no reasonable justification for this practice. Although separating LOA from incentive offers and prescription of the LOA format should preclude some negative option selling practices, we nevertheless urge the Commission to prohibit this unfair sales tactic.

**ADDITIONAL SAFEGUARDS TO PROTECT AGAINST  
DECEPTIVE AND MISLEADING LOAs.**

In the Notice of Proposed Rule Making the Commission invites comment about additional measures to protect against deceptive and misleading LOAs and to eliminate potential consumer confusion. We

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<sup>3</sup> State Attorneys General have strongly opposed "negative option" selling techniques in other contexts such as cable television billing practices. See: Time Warner v. Doyle, 847 F. Supp. 635 (W.D. Wis. 1994), appeal docketed, No. 94-1894 (7th Cir. April 21, 1994).

believe that the following provisions should be put in place to firmly encourage fair marketing practices. With these additional provisions, meaningful competition should flourish while consumer confusion as well as unfair and deceptive practices should dramatically decline.

• **PRESCRIBED FORMAT OF LETTER OF AGENCY.** We believe that it is critical that the Commission prescribe the content and format of an LOA, including minimum standards for font, point size, print intensity and contrasting background. Without such minimum standards, unscrupulous promoters will evade the policy underlying the proposed rule and continue to obscure the meaning of LOAs.<sup>4</sup> Without such minimum standards, the Commission is not likely to eliminate consumer confusion and a proven basis for deception and fraud.

We also believe that LOAs should not include information that is not required by the Commission. An LOA performs a specific legal function in the telecommunications marketplace. By completely separating an LOA from other information, which may be easily furnished in other documents, the Commission will minimize the likelihood of unintended or unauthorized changes of long distance carriers. The potential for consumer confusion and deception will persist if promoters are able to combine LOAs with

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<sup>4</sup>Complaints describe a wide range of deceptive and misleading LOA formats which literally satisfy current LOA requirements, but are practically illegible. Examples include inadequate contrast between print and background, small print with inadequate spacing and other approaches which make the content almost impossible to read and comprehend (Ap. 37, 41).



documents promoting other services, but not offering "incentives" per se. For example, it is not difficult to imagine that the combination of a calling card offer with a "negative option" LOA would result in unintended or unauthorized changes of long distance carriers.<sup>5</sup>

To further strengthen the Commission's objective, the proposed rules should explicitly require that the information in LOAs be set forth in a clear and conspicuous manner and in plain language.<sup>6</sup> The Commission should provide examples of LOAs which comply with these standards. Standardization will provide certainty in the marketplace and should ensure that consumers and industry alike soon become familiar with an LOA and its significance. The likelihood of consumer confusion should be minimal once an LOA is recognized as the mechanism by which subscribers may change their long distance carrier.

Attached is an LOA which we believe provides clear and unambiguous information consistent with the Commission's requirements (Exhibit A).<sup>7</sup>

• **RESTRICTION OF CARRIER DESIGNATION.** We believe that an LOA should contain only the name of the carrier which offers to provide

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<sup>5</sup>A current calling card offer is combined with a contest offer and uses a negative option (Ap. 21, 23).

<sup>6</sup> See: N.Y. Gen. Oblig. Law, §5-702, Requirements for Use of Plain Language in Consumer Transactions; Plain Language Consumer Contract Act, Act No. 1993-29, 73 P.S. §2201-2212 (Pennsylvania).

<sup>7</sup>The Commission should establish a procedure to approve the use of LOAs which contain additional, non-misleading information to accommodate particular and unique circumstances.

service and sets the price for the customers and its agents, if any. Many consumer complaints demonstrate that sales pitches and other practices used by sellers convey the impression that the offer is from one of the dominant long distance carriers. This initial impression often persists, notwithstanding asterisks and fine print disclaimers appearing elsewhere. Affiliation with other carriers can be clearly and accurately disclosed in other promotional materials, but there would appear to be little commercial justification to include such information in an LOA.

**NOTICE TO SUBSCRIBERS.** We believe that the Commission should require that subscribers receive notice in their telephone bill that their primary long distance carrier has been changed. The notice should appear on a subscriber's billing statement relating to long distance charges and clearly and conspicuously identify the name of the new long distance company and the date when service will be effective. Under current procedures long distance companies that receive written LOAs are not required to notify a new customer who has signed an LOA. Frequently unauthorized or unintended conversions are not detected by subscribers for a significant time period following the switch (Ap. 45). As noted below, subscriber's may incur significant costs due to unauthorized conversions. If the Commission required notification on billing statements, there would be less likelihood that unauthorized conversions would go undetected by subscribers. Moreover, unscrupulous promoters would be less likely to use questionable

practices if subscribers received clear notification of a change in primary long distance carriers.

**• DIFFERENTIATION BETWEEN BUSINESS AND RESIDENTIAL CUSTOMERS.**

We believe that there should be no distinction between business and residential customers because the potential for slamming exists for business and residential customers alike (Ap. 1, 27). Although businesses may be particularly vulnerable to unauthorized switches, residential subscribers also experience this problem. Any member of a household, such as a minor child or relative who is not the subscriber or billed party, may sign an LOA without the knowledge or consent of the subscriber.

Because the potential for unauthorized conversion exists for both business and residential customers, we recommend imposing a safeguard that would apply in all situations. We propose that all LOAs be required to include a statement that the signatory is authorized to change the long distance carrier for the telephone number(s) identified in the LOA. As shown in our proposed LOA, attached as Exhibit A, we suggest the following language:

DO NOT SIGN UNLESS THE TELEPHONE BILL IS IN YOUR NAME OR  
YOU ARE AUTHORIZED BY YOUR ORGANIZATION.

This language is appropriate for LOAs directed to either business or residential customers.

Although such a statement in itself cannot prevent fraudulent authorizations, it would serve as notice that only authorized persons may execute an LOA. The language should be standardized and should be a part of the required content of LOAs used for all potential customers.

• **CONSUMER LIABILITY FOR UNAUTHORIZED CONVERSIONS.** We believe that customers should not be responsible for conversion charges which are incurred regarding an unauthorized switch. We also believe that customers' liability for long distance toll charges incurred after an unauthorized conversion should be limited to the actual charges or cost for the calls under a consumer's previous long distance carrier, whichever is lower. Moreover, any additional customer loss such as discounts, frequent flyer mileage and other incentives, should be set off against these charges.

The unauthorized or slamming carrier should be required to determine the appropriate adjustment and to rebill the customer for the adjusted amount. The slamming carrier should bare the burden of determining the amount to be paid following an unauthorized conversion. Moreover, the adjusted bill should not be subject to negotiation. A slamming carrier should not be able to bargain for greater payments than permitted.

Long distance carriers that formulate and benefit from marketing tactics which produce unauthorized conversions should not profit from such tactics. If consumers are not absolved of additional liability for costs to change service and for excessive toll charges, sellers may be motivated to persist in these questionable and unlawful practices. If, on the other hand, a carrier is prohibited from collecting for charges which exceed the charges a consumer otherwise would have paid and there is an expedient method of recovery for the consumer, then long distance sellers will be further motivated by the marketplace to make sure

that all conversions are authorized. This provision will provide a financial incentive for long distance carriers to supervise the conduct of independent marketing organizations to ensure that unauthorized conversions do not take place.<sup>8</sup>

- **NON-ENGLISH SPEAKING SALES PRESENTATIONS.** We believe that fundamental fairness requires that a seller that targets non-English speaking consumers with bi-lingual or non-English inducements, should provide an LOA in the language used in the solicitation. Consequently, all parts of an LOA should be translated if any part of the solicitation uses a language other than English.

- **SELLER-INITIATED SOLICITATION IN THE CONTEXT OF A TELEPHONE CONTACT MADE BY A CONSUMER.** We believe that the Commission should unambiguously state that telemarketing verification procedures of 47 C.F.R. § 64.1100 apply when a change order is made by telephone irrespective of who initiates the call. Section 64.1100 establishes verification procedures applicable to change orders "generated by telemarketing." The terms of the provision do not limit these procedures to change orders resulting from seller initiated telephone calls. Moreover, there is no policy reason to restrict verification procedures to only seller initiated telephone contacts. The potential for fraud, overreaching and abusive telephone sales practices is documented by cases against

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<sup>8</sup>In order for such a process to work, consumers must be made aware of their rights and of the obligations of long distance sellers. Both local and long distance carriers should be responsible for educating their subscribers and responding to inquiries.

telecommunications providers that have "packed" unordered, optional services with customer telephone orders for other service.<sup>9</sup> This proven potential for customer abuse exists independent of who initiates the telephone call and the Commission should take this occasion to eliminate any perceived uncertainty regarding the meaning of 47 C.F.R. § 64.1100.

• **PROHIBITION OF ALL MARKETING INCENTIVES.** We do not believe that it is necessary to prohibit all inducements sellers may offer to entice persons to change long distance carriers, provided that the safeguards we recommend are adopted. Nor do we believe that it is necessary to ban incentives from mail solicitations as long as LOAs are separate documents and are standardized to clearly and conspicuously disclose their function and effect. Although inducements may distract from fundamental price and quality considerations, the other measures which we are recommending should provide sufficient safeguards to stop deception in the context of an LOA and prevent most consumer confusion.

**THE COMMISSION SHOULD AGAIN CONSIDER REQUIRING WRITTEN LOAs FOR ALL CHANGE ORDERS FOR PRIMARY LONG DISTANCE CARRIERS.**

We encourage the Commission to expand the scope of this rulemaking proceeding to propose a rule requiring all change orders to be followed by written confirmation. The Commission's telemarketing verification procedures in 47 CFR § 64.1100 provide

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<sup>9</sup> Commonwealth ex rel. Zimmerman v. Bell Telephone Co. of Penna., 121 Pa. Commonwealth Ct. 642, 551 A.2d 602 (Commonwealth Ct. No. 668 C.D. 1988). Also see summaries of similar actions taken in California and Wisconsin included in the Appendix (Ap. 169, 179).

some protection against unauthorized conversions, but these procedures may be evaded by unscrupulous promoters. State Attorneys General continue to receive complaints regarding deceptive practices used to feign compliance with verification procedures (Ap. 47, 51). We strongly encourage the Commission to again consider requiring that all change orders be followed by written confirmation to the subscriber.

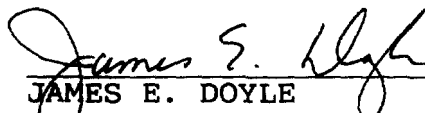
#### CONCLUSION

State Attorneys General support the Federal Communication Commission's efforts to enact meaningful rules, consistent with these recommendations, to prevent consumer confusion and outright deception which results from combining sales incentives with LOAs. Consumer benefits promised from deregulation of telecommunications services will only be realized if competition is fair and deceptive practices are eliminated. Once in place, these proposals will provide a foundation for responsible long distance carriers to fairly compete and efficiently provide long distance service to consumers.

Dated this 6th day of January, 1995.

Respectfully submitted,

/s/ ERNEST D. PREATE, JR.  
ERNEST D. PREATE, JR.  
Attorney General  
Commonwealth of Pennsylvania

  
\_\_\_\_\_  
JAMES E. DOYLE  
Attorney General  
State of Wisconsin

Co-Chairpersons  
Telecommunications Subcommittee  
Consumer Protection Committee  
National Association of Attorneys General

The following Attorneys General join in these comments:

GRANT WOODS  
Attorney General  
State of Arizona

DANIEL E. LUNGREN  
Attorney General  
State of California

ROBERT A. BUTTERWORTH  
Attorney General  
State of Florida

PAMELA CARTER  
Attorney General  
State of Indiana

CARLA J. STOVALL  
Attorney General  
State of Kansas

SCOTT HARSHBARGER  
Attorney General  
State of Massachusetts

FRANKIE SUE DEL PAPA  
Attorney General  
State of Nevada

JEFFREY B. PINE  
Attorney General  
State of Rhode Island

JEFFREY AMESTOY  
Attorney General  
State of Vermont

WINSTON BRYANT  
Attorney General  
State of Arkansas

RICHARD BLUMENTHAL  
Attorney General  
State of Connecticut

JAMES E. RYAN  
Attorney General  
State of Illinois

THOMAS J. MILLER  
Attorney General  
State of Iowa

J. JOSEPH CURRAN, JR.  
Attorney General  
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State of Ohio

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Attorney General  
State of Tennessee

DARRELL V. MCGRAW, JR.  
Attorney General  
State of West Virginia

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## LETTER OF AUTHORIZATION

### AGREEMENT TO CHANGE PRIMARY LONG DISTANCE TELEPHONE COMPANY

I agree to change my long distance telephone company. I permit (name of new PIC or agent) to act for me in changing from my current long distance telephone company to (name of new PIC) for the telephone number(s) listed below.

### IMPORTANT NOTICE

BY SIGNING THIS AUTHORIZATION I UNDERSTAND THAT:

1. I may designate only one long distance telephone company as my primary interexchange carrier for the telephone number(s) listed below. Selecting more than one long distance telephone company is not allowed and will invalidate all such selections.
2. I may be charged for changing my long distance telephone company. (Check with your local telephone company for any applicable charges.)

**DO NOT SIGN THIS UNLESS THE TELEPHONE BILL IS IN YOUR NAME OR YOU ARE AUTHORIZED BY YOUR ORGANIZATION**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

Date: \_\_\_\_\_

\_\_\_\_\_  
Billing Address

\_\_\_\_\_  
City State Zip

Telephone Numbers: ( ) \_\_\_\_\_  
( ) \_\_\_\_\_

**Exhibit A**

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JAN -9 1995

Before the  
FEDERAL COMMUNICATIONS COMMISSION

FCC MAIL ROOM

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In the Matter of	)	
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SEPARATE APPENDIX TO THE  
COMMENTS OF THE NATIONAL ASSOCIATION OF ATTORNEYS GENERAL  
TELECOMMUNICATIONS SUBCOMMITTEE AND THE  
ATTORNEYS GENERAL OF THE STATES OF  
ARIZONA, ARKANSAS, CALIFORNIA, CONNECTICUT, FLORIDA,  
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TENNESSEE, VERMONT, WEST VIRGINIA AND WISCONSIN

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# CONSUMER COMPLAINT

State of Arkansas  
Office of the Attorney General  
CONSUMER PROTECTION DIVISION

(501) 682-2341

1-800-482-8982 (In Arkansas)

200 Tower Building  
4th & Center Streets  
Little Rock, Arkansas 72201

The Consumer Protection Law requires that complaints be written. Please type or print with black ink. A copy of this complaint will be sent to the party complained against.

Your Name Chuck Shyock

Firm/Individual Complained Against The Furst Group

Your Address 421 S. MAIN

Address 459 OAKSHADE RD.

City/State/Zip Code Malvern Ark. 72104

City/State/Zip Code VINCEN TOWN N.J. 08088

Home Telephone & Business Telephone 332-6326 Buss 332-2011

Telephone 1-609-268-8000

Did you sign a contract? NO

Date of Transaction Nov. 1992

Name of Salesperson not known

Have you contacted the company? yes

Product or Service Involved Long Distance Phone Service

How were you first contacted — at the firm's premises ( ) at your premises ( ☒ ) telephone ( ) radio tv ( ) newspaper/magazine ( ) mail solicitation ( ) other ( )? Please describe.

Have you consulted an attorney? NO Who?

Is there court action pending? Where?

Estimate of dollars involved \$ 40.32

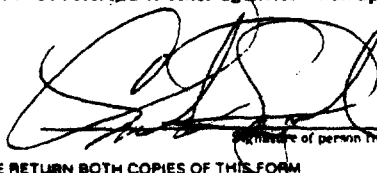
Your view as to a fair resolution of this matter To Drop Charges

PLEASE EXPLAIN THE CIRCUMSTANCES SURROUNDING YOUR COMPLAINT. ENCLOSE COPIES (NOT ORIGINALS) OF ANY CONTRACTS, SALES SLIPS, CANCELLED CHECKS, ADVERTISEMENTS, CORRESPONDENCE OR RELATED DOCUMENTS. Attach additional sheets if necessary.

I was contacted by phone in Nov. 1992 and asked if I would like to save a certain amount of money on my business phone bill. I said sure to send me information. This was the whole conversation. The next thing I knew was I received a bill from The Furst Group. I call the company right away and was told I had joined. I said I had not and wished the service stopped. I received a bill the next month & again called. The company had stated they were the AT&T bill manager service. (enclosed letter) AT&T informed me that it was not them but they could change my long distance service back to them, which I did.

The information contained herein is true and accurate to the best of my knowledge. I understand that the Arkansas Attorney General's Office cannot conduct litigation for individuals in matters involving private controversies. I am, however, filing this complaint to notify the Attorney General's Office of the activities of this party and for any other assistance which may be rendered. I give my permission for this complaint to be referred to other agencies when appropriate.

Date 3-25-93



Signature of person filing complaint

PLEASE RETURN BOTH COPIES OF THIS FORM

-----+  
[ client logo ]  
-----+

-----+  
[ AT&T Logo ]  
-----+

CUSTOMER: SHRYOCK'S JEWELERS, INC  
ATTN: CHUCK SHRYOCK  
421 S MAIN ST  
MALVERN AR 72104

ACCOUNT NUMBER: 615-6054-967 (CUR)  
INVOICE DATE: 12/22/92  
DUE DATE: PAYABLE UPON RECEIPT  
FOR BILLING INQUIRIES: 1 (800) 562-4230  
FOR SERVICE INQUIRIES: 1 (800) 233-4736

=====

BALANCE BROUGHT FORWARD

PRIOR BALANCE	\$6.07
PAYMENTS	\$ .00
ADJUSTMENTS	\$ .00

BALANCE FORWARD

-----+  
\$6.07  
-----+

=====

NEW CHARGES

NEW MESSAGES	\$17.61
OTHER CHARGES	\$5.09
FEDERAL TAX	\$ .52
STATE/LOCAL TAX	\$1.16

TOTAL NEW CHARGES

-----+  
\$24.38  
-----+

NEW BALANCE

-----+  
\$30.45  
-----+

=====

MESSAGES

Your account is more than 15 days past due. Payment is due upon receipt of the invoice. Please do not delay your payment further. If you dispute any of your charges please call 1 (800) 233-4736. Please disregard this notice if payment has been made.

TFG thanks you for the privilege of serving you. We consider you a valued client. Please call our service number 1 (800) 233-4736 prior to adding or disconnecting any lines or number on your system. To ensure prompt credit to your account, be sure you include the remittance slip with your payment. Thank you.

This Bill Prepared By AT&T. Rates and Fees Established By: The Furst Group.

Please detach and return this portion with your remittance.

-----+  
[ client logo ]  
-----+

-----+  
[ AT&T Logo ]  
-----+

PLEASE WRITE YOUR ACCOUNT NUMBER (615-6054-967) ON YOUR CHECK

INVOICE DATE: 12/22/92

AMOUNT DUE:

-----+  
\$30.45  
-----+

6156054967122292000030457

SHRYOCK'S JEWELERS, INC  
ATTN: CHUCK SHRYOCK  
421 S MAIN ST  
MALVERN AR 72104

MAKE CHECKS PAYABLE TO:

FURST GROUP/ATT  
P O BOX 641214  
DETROIT MI 48264-1214

S61500 AGYBILD 09/91 Rev 9.9

**AT&T Bill Manager<sup>SM</sup> Service**

---

Date: Feb 15, 1993

Dear Customer:

We want to take a few moments of your time to advise you of the status of your account. Perhaps you did not realize your account is past due. As of 02/15/93 our records show an outstanding amount of \$40.37, of which \$20.45 is past due.

Please mail your payment today using the remittance slip attached below. For your convenience, a return envelope has also been included. Remember to include your account number on your check or money order.

If your payment has already been mailed, please disregard this notice. If you have questions regarding your bill, please contact our AT&T Bill Manager Service Center at 1 800 562-4230. Thank you for your prompt attention to this matter.

Credit Manager  
AT&T Bill Manager Service

---

PLEASE DETACH AND RETURN THIS PORTION WITH YOUR REMITTANCE.

PLEASE WRITE YOUR ACCOUNT NUMBER (815-805-4887) ON YOUR CHECK

DATE: 02/15/83

\$40.37

6156054967021593000040375

SHRYOCK'S JEWELERS, INC  
ATTN: CHUCK SHRYOCK  
421 S MAIN ST  
MALVERN AR 72104

MAKE CHECKS PAYABLE TO:  
FURST GROUP/ATT  
P O BOX 641214  
DETROIT MI 48264-1214

+-----+  
| client logo |  
+-----+

+-----+  
| AT&T Logo |  
+-----+

CUSTOMER: SHRYOCK'S JEWELERS, INC  
ATTN: CHUCK SHRYOCK  
421 S MAIN ST  
PALVERN AR 72104

ACCOUNT NUMBER: 615-6054-967 (CUR)  
INVOICE DATE: 01/22/93  
DUE DATE: PAYABLE UPON RECEIPT  
FOR BILLING INQUIRIES: 1 (800) 562-4230  
FOR SERVICE INQUIRIES: 1 (800) 233-4736

=====

BALANCE BROUGHT FORWARD

PRIOR BALANCE	\$30.45
PAYMENTS	\$ .00
ADJUSTMENTS	\$10.00-
BALANCE FORWARD	\$20.45

=====

NEW CHARGES

NEW MESSAGES	\$17.90
OTHER CHARGES	\$ .31
FEDERAL TAX	\$ .54
STATE/LOCAL TAX	\$1.17
TOTAL NEW CHARGES	\$19.92

NEW BALANCE	\$40.37
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MESSAGES

Your account is more than 15 days past due. Payment is due upon receipt of the invoice. Please do not delay your payment further. If you dispute any of your charges please call 1 (800) 233-4736. Please disregard this notice if payment has been made.

TFG thanks you for the privilege of serving you. We consider you a valued client. Please call our service number 1 (800) 233-4736 prior to adding or disconnecting any lines or number on your system. To ensure prompt credit to your account, be sure you include the remittance slip with your payment. Thank you.

This Bill Prepared By AT&T. Rates and Fees Established By: The Furst Group.

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Please detach and return this portion with your remittance.

+-----+  
| client logo |  
+-----+

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| AT&T Logo |  
+-----+

PLEASE WRITE YOUR ACCOUNT NUMBER (615-6054-967) ON YOUR CHECK

INVOICE DATE: 01/22/93

AMOUNT DUE: \$40.37

6156054967012293000040377

MAKE CHECKS PAYABLE TO:

SHRYOCK'S JEWELERS, INC  
ATTN: CHUCK SHRYOCK  
421 S MAIN ST  
PALVERN AR 72104

FURST GROUP/ATT  
P O BOX 641214  
DETROIT MI 48264-1214

S61500 AGYBILD 09/91 Rev 9.9

**THE FURST GROUP**

Furst Commerce Center 459 Oakshade F.

1993

Vincetown, NJ 08088

Phone: 609-268

Fax #: 609-268

Re: Account No.: 615-6054967  
Balance Due: \$ 40<sup>37</sup>

Dear *Chuck Shyach*,

The above charge is for long distance calls you made while on our network. These calls do not appear on any other invoice from any other vendor. Your request for termination was submitted and your service was placed with another carrier.

However, during the time period from *11-23-93* to *01-19-93* you placed calls over our long distance network totaling *172.3* minutes. The FCC tariffs are clear regarding the responsibility to pay for calls made. Unless you are disputing the fact that your organization made these calls, payment remains your responsibility.

Therefore, this is my final request for payment of the total amount due. This amount must arrive in my office, or you must contact me to make suitable payment arrangements within 5 days of receipt of this letter. If you choose not to respond, your account could be turned over to an attorney for collection. Also, credit advisory services, including Dun & Bradstreet, will be notified of your delinquency. I hope not to have to take these actions.

I hope the information provided has cleared up any questions you may have concerning your obligation in this matter.

Sincerely,

*Dennis Burns*

Collection

MDV/lm

cc: W. Phipps  
IC

*Mr. Shyach,*

*you will be billed until your  
disconnection which takes 2-4 wks.*

*←*



**THE FURST GROUP**

Furst Commerce Center 459 Oakshade Road

Vincentown, NJ 08088 Phone: 609-268-8000

Fax #: 609-268-9515

Dear Subscriber:

This letter confirms your recent request to terminate SDN service with The Furst Group. Please be sure the following steps have been completed for us to assure a smooth transition to your new carrier:

\* 1) Call your local telephone company business office or new carrier and have them switch all of your lines to the long distance carrier of your choosing.

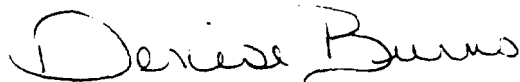
2) Mail to the above address or fax (609-268-9515) a request on your company letterhead stating the specific reason you are terminating The Furst Group service.

Disconnect orders are sent on a weekly basis to AT&T, however, we cannot be responsible for the length of time it may take AT&T to disconnect your service.

You will be responsible for all charges incurred until your new long distance carriers' service takes effect.

We thank you for the opportunity to have had you as a valued customer. If we can be of any assistance in the future please don't hesitate to call us.

Sincerely,



THE FURST GROUP  
~~CUSTOMER SERVICE~~